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# *WEEKLY SUMMARY*

## *Special Report*

*Norway and Sweden Go to the Polls*

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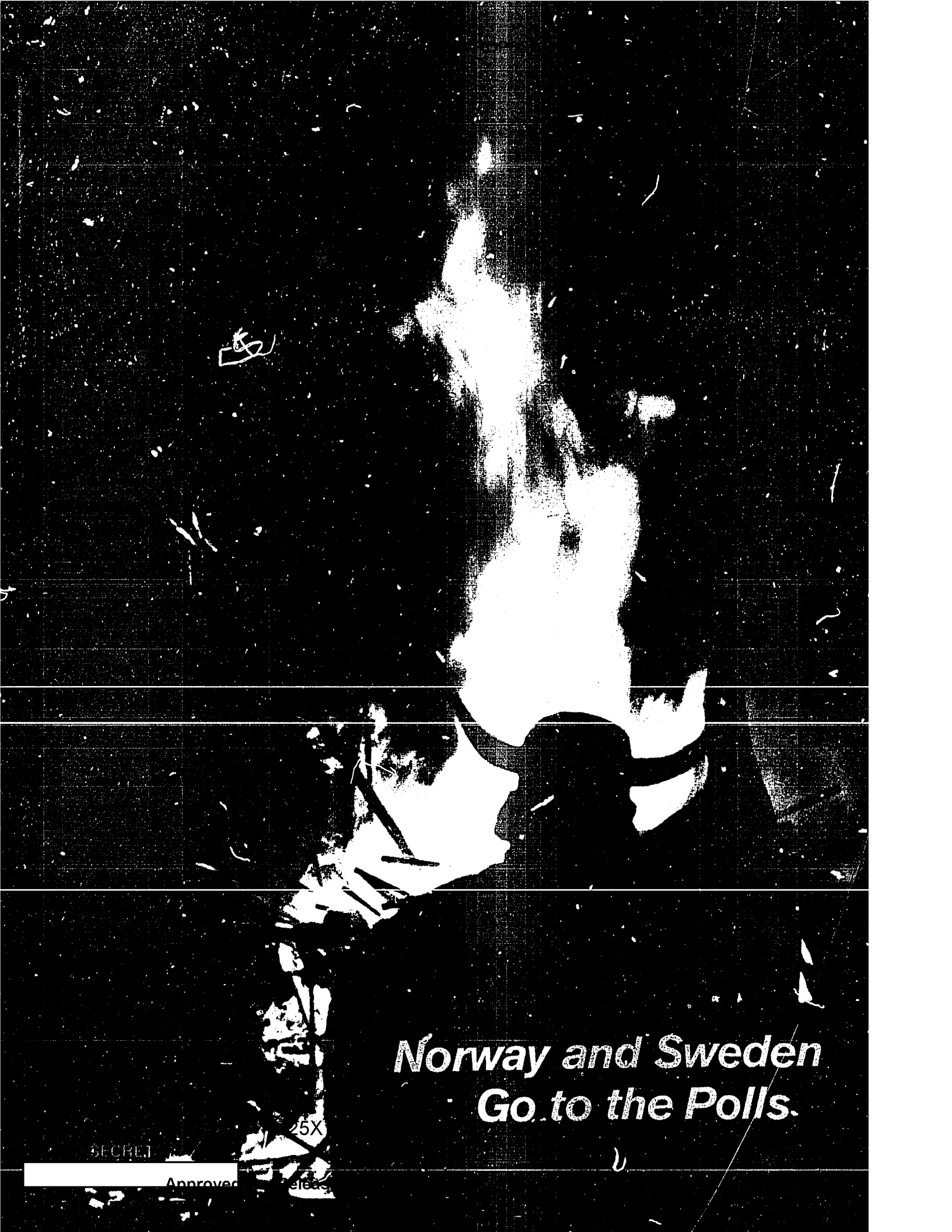
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7 September 1973

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**Summary**

Elections this month in Norway and Sweden could bring about major changes in both countries. Norwegian voters cast their ballots on 9-10 September; the Swedes vote on 16 September.

Norway, the keystone of NATO's north flank, had a strong, stable government until a few years ago. The lengthy wrangle over proposed EC membership caused the downfall of two governments and left a "mini-coalition," representing a minority of parliament, in power. The Norwegians now have an opportunity to restore stable government, either under a revived Labor Party or a center-right coalition. But the rising cost of running Norway's welfare state has succeeded EC membership as a major issue, and the number of political parties has doubled; the chances are not good that a strong government will be elected. Norway's relations with the US should not be adversely affected no matter who wins.

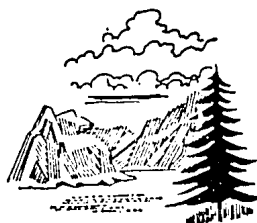
Sweden, a self-appointed neutralist leader in Europe, has been governed by the Social Democratic Party for over 40 years. This year Prime Minister Palme and his party are in trouble. A general dissatisfaction, stemming largely from high taxes and inflation, pervades Swedish society. The three old-line bourgeois parties could win if they stick together and take advantage of their openings, but they have shown a capacity for beating themselves in the past. If they do win, Swedish-US relations certainly would improve.

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## NORWAY



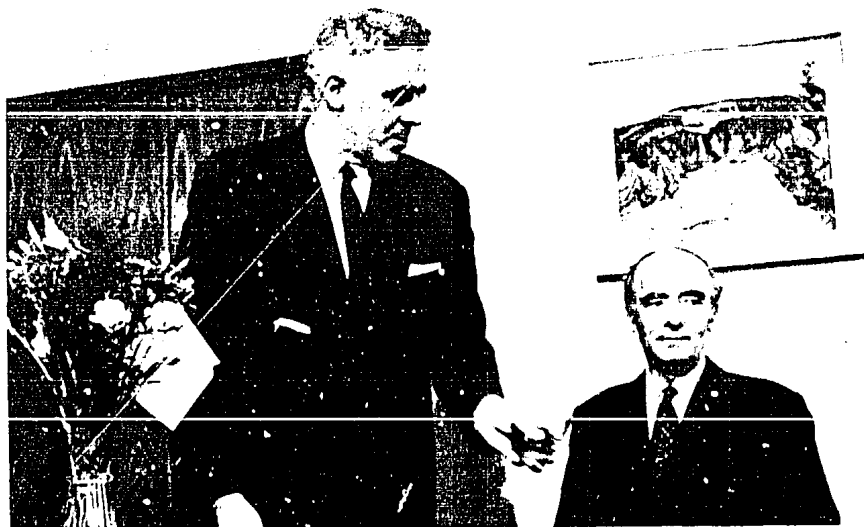
Norwegians go to the polls on 9-10 September in one of their more important elections in recent years. Although the campaign is again being fought over such welfare state issues as the decline in purchasing power, the real question is whether Norway can elect a purposeful government of any persuasion. The referendum last year on entry into the EC, which was rejected, caused deep divisions within and among the old-line parties and also led to the founding of many new parties. This wide choice in parties may lead Norwegians to disperse their votes so that no likely party combination will be able to command a parliamentary majority, and the divisions in the old-line parties will make it difficult for them to

cooperate in putting together a government after the election.

Norwegian voters will be stuck with whatever parliamentary mix they choose for the next four years. The constitution does not provide for dissolving parliament or for calling a new election. The "cussedness level" is high among Norwegians, and if they exercise it this time around, as much as they did in the EC referendum, the country will be in for a period of factious and weak coalition governments, much like the present minority one. A Norwegian government that could not grapple with contentious domestic and foreign policy issues would not be in the interest of the US. Norway has been a reliable NATO ally, especially compared with the other two Nordic members: Denmark, economy-minded in defense, and Iceland, xenophobic and contentious.

## A Look at the Record

The last four years have brought swift and drastic shifts in Norwegian attitudes. It began with the election in 1969 when a four-party, center-right coalition under Centrist Per Borten won a narrow majority. Until then, the Labor Party had won every election in Norway since



Per Borten and Trygve Bratteli



Lars Korvald

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## NORWEGIAN POLITICAL PREFERENCES

Party	Election	Opinion Polls		
	1969	June 1972	June 1973	August 1973
Labor	46.5	43.4	38.8	40.1
Conservative	19.6	20.4	17.2	17.1
Center	10.5	12.9	12.8	11.2
Christian People's	9.4	8.7	10.9	10.6
Liberal	9.4	7.2	3.4	3.9
New People's	—	—	4.1	3.8
Red Electoral Alliance	—	—	0.5	0.5*
Anders Lange	—	—	4.5	4.6
Socialist Electoral Alliance	—	—	7.8	7.8
Communist				
Socialist Peoples				
Democratic Socialist				
Independent Socialists				
Various Other	—	—	—	0.3*
Lapp				
Women's Joint List				
Etc.				

\*Estimated

World War II. The Borten government collapsed in March 1971 when news leaked out that the prime minister, whose government was pledged to support EC membership, was actually trying to sabotage the negotiations then under way with the EC. The recriminations in the non-socialist parties were so bitter that the Labor Party, which had dominated the government for decades, was able to move into the breach and form a minority government under Trygve Bratteli.

The EC issue caused strains within Bratteli's Labor Party, too, and he may have underestimated the passions the subject evoked in the Norwegian public. His government was also committed to taking Norway into the EC and, in an

effort to overcome objections within his party and among the public, Bratteli vowed to resign if the referendum on EC membership failed.

Opponents to Norwegian entry into the EC were in nearly all parties, and they marshaled their forces under an ad hoc group called the Popular Movement Against the EC. It was a mixed bag including elements from the far right Christian People's Party, the middle-or-the-road Liberals, the left-Socialists, and even Norway's Communists. The referendum was held in late September 1972, and when the results were in, it was found that nearly 54 percent of the Norwegian electorate had voted against full EC mem-

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bership. The Bratteli government resigned a few days later.

Formation of a new government proved difficult, but after several weeks a "mini-coalition" emerged under Lars Korvald, chairman of the Christian People's Party. The grouping included the Center Party and the anti-EC faction of the Liberal Party. The Conservative Party, which remained united in backing the EC, refused to participate. The Korvald government, the incumbent in the election on 9-10 September, has only 39 seats in the present 150-seat parliament, which will be expanded to 155 after this election. Nevertheless, the little coalition negotiated a free-trade agreement with the EC, which was swiftly ratified last spring, and survived an attempt by Laborites to dump the government before parliament recessed for the summer. Although the Korvald coalition is not popular, it has managed to keep going, and this has not hurt the chances of the member parties for attracting votes on election day.

#### The Issues

Since the major parties have sought to avoid the EC issue during the campaign, the decline in purchasing power probably ranks as the number one election issue. Although salaries and wages are rising, so is the cost of running Norway's welfare state. All industrial wage earners suffered a loss in disposable income in 1972. For farmers and fishermen, the loss may have run as much as 15-20 percent. Although an average worker's pay increased by over one half since the last welfare legislation six years ago, his taxes doubled and the consumer price index rose over 50 percent. Pensioners have fared much better; today, a pensioned couple has, per capita, nearly as much disposable income as a worker with a family of four. Norway, of course, will not abandon its welfare system, but all political leaders have called a moratorium on new welfare programs.

In addition to economic issues, the conservative parties criticize leftist proposals to liberalize abortion laws, while the socialists back the trade unionist goal of closed shops. Nearly all parties sponsor an environmental plank. Foreign policy

issues have played only a secondary role in the campaign, and Norway's continued membership in NATO is supported by all major parties.

#### Too Many Parties

Adding to the woes of the old-line political parties is the recent emergence of a number of new parties. Some 14 parties, about twice the normal number, are scheduled to participate in this election. Although none of the newcomers is expected to garner a large number of votes, together they are capable of draining significant support from the older parties.

The Labor Party, Norway's largest, has usually campaigned on a strong welfare platform; robbed of that issue this year, the party has had difficulty in putting together an attractive package. The Labor Party congress adopted a lackluster domestic program that pledges that a Labor government will:

- Reorganize the system of production, achieve genuine equality, and make democracy a reality;
- Carry out rather ambiguous objectives that most voters probably assumed the Labor Party already championed;
- Change the tax system to improve the lot of the wage earner at the expense of big business and the rich;
- Improve "workers' satisfaction" by ensuring more employee participation in management and by initiating new health and safety programs;
- Institute new government controls over banking and credit institutions. It cautiously endorsed liberalized abortion policies.

In foreign policy, the congress once again rejected a left-wing proposal to withdraw from NATO and "demanded" that the US cease bombing in Cambodia. It also called for recognition of North Korea, expressed solidarity with the Allende regime in Chile, condemned French

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nuclear testing, and criticized Portugal, Greece, and Turkey for their want of democracy. The defection of EC opponents into a newly formed leftist Democratic Socialist Party, the all-time low registered by the party in polls earlier this year, and a colorless platform make it doubtful that Labor can win a clear majority this time out.

A recently formed leftist alliance composed of the Democratic Socialists, the Socialist Peoples Party, and the Communists is expected to cut into Labor returns. The new alliance is called the Socialist Electoral Pact, and it plans to submit a "joint list" of candidates. This will allow the three parties to pool their votes and increase their chances for winning a few seats in parliament. In the past, parties like the Socialist Peoples Party, which received 3.4 percent of the national vote in 1969, ran on a separate ticket and failed to win any seats.

On the right, the anti-tax phenomenon, started in Denmark, has spread to Norway with the formation of Anders Lange's Party for the Drastic Reduction of Taxes, Fees, and Governmental Interference. Lange, a long time anti-welfare campaigner and dog-kennel owner, leads a party that is expected to win some seats in parliament by appealing to the "cussedness" factor of the Norwegian electorate. The Conservative Party felt Lange's effect almost immediately and has dropped steadily in popularity polls since the anti-tax party was formed last spring.

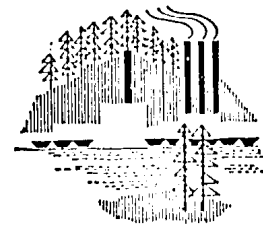
A big win by Labor that would permit governing alone might be best for Norway. Failing that, a minority Labor government drawing support from the left for domestic issues and from the center and right on defense and foreign policy issues might provide more stability than a non-socialist coalition still reverberating from the shock waves of the EC referendum. Furthermore, the non-socialists have not produced a leader of any prominence. Former Centrist prime minister Per Borten has sunk into obscurity since resigning two years ago. The present government is generally an uncharismatic lot, personified by its Christian Democratic Prime Minister Lars Korvald, sometimes referred to as the "colorless Chris-

tian." Laborite leader Trygve Bratteli stands well to the fore of the competition.

Recent polls, however, show that the five major non-socialist parties combined are running well ahead of Labor. The Conservatives, who represent the largest party in this group, refused to cooperate with the other four because of their opposition to EC entry. The Conservatives might again balk at joining any coalition with an anti-EC taint. Furthermore, the split between the newly formed New Peoples Party, made up of Liberals who bolted the party over the EC, and the Liberal Party, which is against EC entry, would complicate matters for such a coalition. Indeed, a non-socialist coalition could only succeed if the EC membership issue could be kept dormant. The Labor Party, which still advocates full EC membership, will probably raise the issue again within the next four years, whether in the government or out. Thus, the outlook for stable government is not promising.

Neither a minority Labor government nor a non-socialist coalition—the two most likely outcomes—is likely to alter US-Norwegian relations adversely. During the past four years, bilateral relations have remained good under a non-socialist majority, a minority Labor government, and the present, small rightist coalition.

## SWEDEN



The Swedes vote on 16 September. The battle lines in Sweden are more conventional than in neighboring Norway. The three old-line bourgeois opposition parties are once again challenging the Social Democrats who have been in power in Sweden for more than 40 years. The Center, Liberal, and Moderate Coalition

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(conservative) parties are in a strong position, according to recent polls, to win a majority. They may not, however, be able to sustain their tenuous cooperation up to election day and beyond. As some pundits are fond of saying, the Social Democrats never win elections in Sweden, the bourgeois parties lose them.

A general dissatisfaction, stemming primarily from high taxes and inflation, pervades Swedish society. In the three years since the last election, Sweden has witnessed an unusual amount of labor unrest and a large number of demonstrations. Workers are showing a new proclivity to strike, and irate housewives have led price protests and food boycotts. This condition gives the opposition parties plenty of campaign fodder and they have zeroed in on the government's management of the economy. The Social Democrats have defended themselves, pointing out, with some justification, that the Swedes have never had it so good and arguing that the opposition represents the "forces of reaction" which favor big business and disregard the worker.

### The Parties

While Swedish polls are not an infallible indicator, one of them taken last May showed that only 40 percent approved the Social Democrats. The party had not improved its standing appreciably by August. In contrast, the party won 50.1 percent of the vote in the 1968 elections and 45.3 percent in 1970. The Social Democrats stayed in power as a minority government, drawing support from the Communists for a majority when necessary. They will have to obtain 44-45 percent of the vote this year to continue in this vein. The party has lagged in past elections too, but always managed to rally before the actual voting. This year the rally has been late in coming, causing some observers—perhaps prematurely—to forecast Palme's defeat. The government can count on the support of the massive Swedish Trade Union Confederation, and the party's position as incumbent affords it considerable advantage.

Palme does not have the sort of popularity that kept his predecessor, personable Tage Erlander, in office for 23 years. Palme is an aloof



Olof Palme

intellectual and has little in common with the average man. He is respected for his brilliance and dedication. He does have a following of sorts and his chairmanship of the party is unchallenged. Palme is the obvious choice to lead the government if the Social Democrats are returned.

His counterpart in the opposition, Center Party chairman Thorbjorn Falldin, is the antithesis of Palme. Falldin, who would be prime minister if the bourgeois parties were to win, is a relaxed, thoughtful man with none of the air of lofty condescension surrounding Palme. Falldin provides a good balance to Gunnar Helen, the intellectual leader of the Liberal Party, and to Gosta Bohman, the sometimes abrasive Conservative Party leader.

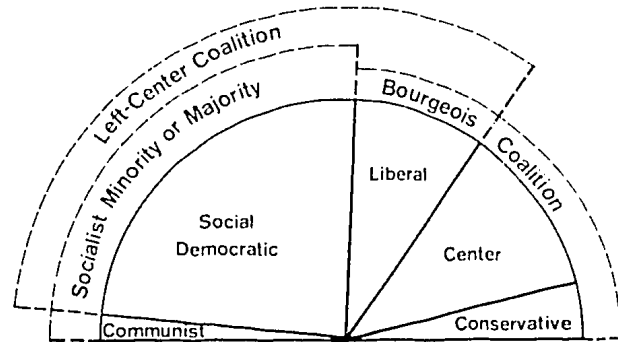
There are several minor leftist parties. One, the Left Party-Communist, has 17 seats in the current 350-seat parliament. It gives the Social Democrats a majority when needed. Another is the newly formed Swedish Communist Party, an ultra-left group favoring a Maoist approach. Like its Scandinavian cousins Denmark and Norway,

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Thorbjorn Falldin



Possible Government Alignments in Sweden

Present government

Sweden also has an anti-tax movement in the newly formed Opinion Party. Neither of the newcomers, nor the tiny religious-oriented Christian Democratic Rally, is likely to gain representation in the legislature. Left Party-Communist, however, may once again get the necessary 4 percent of the national tally to win seats in parliament.

### The Issues

Taxes and unemployment held center stage in the opening rounds of the campaign. Particularly vulnerable on taxes, the Social Democrats unveiled a scheme last month to increase old-age pensions and at the same time reduce the tax burden on workers by shifting the responsibility of retirement contributions to employers. Some Social Democrats, however, are skeptical that the moves will neutralize the tax issue. In fact, there are fears that the proposals may generate more unemployment as management seeks to reduce labor costs to cover the tax increase. According to the polls, unemployment is the principal concern of most Swedish voters. Government leaders hope that subsidized relief work and seasonal adjustments will improve the picture before the elections. The opposition has vowed it will "create 100,000 new jobs." Its 15-point program would try to stimulate the growth of small- and medium-sized companies through easy loans and reduced

payroll and other taxes. The program is far from unique but addresses the complaint of business leaders who charge that government is unsympathetic to small business.

Inflation is another issue, and prices, particularly for food, are indeed high and getting higher. There are no food shortages in Sweden except those dictated by a housewife's budget. Ground beef and pork chops, for example, are as much as \$3 a pound with filet mignon running as high as \$9 a pound. Automobiles, clothing, and appliances are equally expensive. The in-party, the Social Democrats, naturally gets the blame for the high prices.

Law and order is an important issue in Sweden, as it is in many other Western countries. The growth in civil crime and terrorism has plagued the Palme government. The assassination by Croat terrorists of the Yugoslav ambassador in 1971, airline hijacking and sabotage, and rowdy, drug-using youth all get front-page spreads in Swedish papers. The six-day siege by hundreds of police against two bankrobbers and their hostages in downtown Stockholm last month was a blow to the Social Democrats' liberal, avant-garde penal system. Critics have also scored the government for recent anti-terrorist legislation permitting wire taps and mail surveillance of aliens and for the

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"Big Brother" effect of 75 television cameras providing security in downtown Stockholm.

Many Swedes would like to see their government decentralized. The government, which tends to move in the opposite direction, has spoken of plans to restore some national authority to regional governments. The collective affiliation of trade union members with political parties, favored by the Social Democrats, is opposed by the Communists as well as the opposition because it often forces members of the other parties to subsidize the Social Democrats. Another issue was injected into the campaign when a pro-Communist magazine exposed Sweden's top secret foreign intelligence service, the Information Bureau, which was reported to have been active in domestic affairs, particularly against Communist activities in trade unions and political organizations. While the Social Democrats' stand on most of these issues shows the party's preference for strong central control, the opposition has not attempted to string them together, preferring instead to pursue the more popular arguments provided by domestic economic problems.

Although foreign policy is not a big issue this year, Prime Minister Palme has been criticized for the deplorable state of US-Swedish relations, which sunk to new lows last December following his strong criticism of US policy in Vietnam. Right now, neither country is represented by a resident ambassador. The opposition has scored Palme for "making an enemy" of the US, and a change in government would undoubtedly result in improved bilateral relations.

### Outcome Obscure

The race is close and could go either way. The Social Democrats must pick up an additional 3 or 4 percent in order to continue as a minority government. This presupposes, of course, that their Communist partners get the 4 percent needed for representation in parliament. This is not an impossible prospect, and, indeed, the Social Democrats have begun to project cautious optimism. The death of King Gustaf VI Adolf, who is seriously ill, could hamper the Social Democrats' campaign. The King's demise would result in a moratorium on political campaigning for six to ten days which might stall the Social Democratic comeback or even postpone the election.

The opposition parties, all told, have managed to sustain a majority in polls for nearly a year. If the polls are accurate, and do not reflect idle carping forgotten in the voting booth, the Social Democrats are in real trouble. The bourgeois parties must keep together, something they have been unable to do in the past. They must also rebuff attempts by the Social Democrat Party to entice one of their number into a coalition if Palme fails to garner enough votes to go it alone. If the Centrists and the Liberals can continue to cooperate with the conservatives and shun the divisive tactics of the Social Democrats, this could be the year the opposition "throws the rascals out."

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